



Commonwealth of Virginia

Auditor of Public Accounts
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Walter J. Kucharski, Auditor

May 12, 2004

The Honorable John R. Stevens
County of Stafford General District Court
P. O. Box 180
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As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Stafford General District Court for the period January 1, 2003 through March 31, 2004.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

The findings relate to the operations of the former Clerk, who left the Court in January 2004. We have made recommendation to the new Clerk on how to address the issues noted.

Properly Assess Court Costs and Fees

In 9 of 20 cases tested, the former Clerk failed to properly assess correct fines and costs resulting in a loss of revenue of \$1,700 to the Commonwealth of Virginia. Specifically, we found errors in assessing processing fees, court appointed attorney fees, and tried in absence fees. In one case, the former Clerk inappropriately assessed a defendant a \$100 fine, which the Judge had ordered suspended.

We also found cases where the former Clerk improperly removed fines from individual accounts when either an assessment error was made by the court staff or to agree an individual account to the amount paid by a defendant. In three of ten accounts tested, we noted that the former Clerk removed fines totaling \$108 from individual accounts. This action resulted in the loss of revenue to the Commonwealth.

The new Clerk should immediately establish procedures to ensure that staff assess correct fines and court costs. We specifically suggest that the new Clerk retrain all employees in proper assessment procedures. We also recommend that the new Clerk review cases to ensure compliance with the Code of Virginia fine and fee assessment requirements. Finally, we recommend that the new Clerk ensure that court staff do not adjust individual accounts inappropriately.

Properly Calculate Due Dates

The former Clerk did not consistently determine the correct due dates for the payment of fines and fees as required in Section 19.2-354 of the Code of Virginia. We observed due date errors ranging from three months up to one year. Absent a court order or a signed payment agreement, all fines and costs are payable immediately upon sentencing. The new Clerk should ensure that staff determine correct due dates based on these factors.

Monitor and Disburse Liabilities

The former Clerk failed to escheat more than \$1,300 in unclaimed refunds and restitution to the Commonwealth of Virginia. Section 55-210.9:2 of the Code of Virginia requires clerks to identify those funds held by the court that have remained unclaimed for more than one year after becoming payable and to petition the court to escheat such funds to the State Treasurer.

The new Clerk should review all liabilities at least annually to identify funds that remain unclaimed after one year and, after performing due diligence, report and escheat such funds to the State Treasurer in accordance with state law.

We discussed these comments with the Clerk on May 12, 2004, and acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

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cc: The Honorable H. Harrison Braxton
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